ADMINISTRATIVE AND FINANCIAL QUESTIONS

Staff Assistance Fund

Note by the Director-General

1. The CONTRACTING PARTIES approved the payment of SwF 20,000 for 1975, from the 1974 surplus, and the provision of a further amount of SwF 20,000 in the 1976 budget, for contributions to the Staff Assistance Fund, for the purpose of alleviating cases of real hardship arising for present and former GATT officials whose present financial situation was causing hardship particularly as a result of the effect that monetary fluctuations were having on pensions of retired staff members or their dependents. The contributions were approved on the same understanding as in previous years, i.e., that the funds provided would be administered by the Staff Association which would inform the Director-General with regard to the use to which they were put. The Director-General would present the Staff Association's report, with his comments, to the Committee on Budget, Finance and Administration.

2. The reports of the Staff Association, dated 16 February and 17 September 1976, covering the administration of the Fund in 1975 and 1976 respectively, are attached.

3. In the opinion of the Director-General, the Staff Association has given very careful consideration to the use of the Staff Assistance Fund and he considers that the most appropriate use has been made of the sums made available in meeting those cases of real hardship which have come to the attention of the Staff Association.
Annex 1

STAFF ASSISTANCE FUND

Report by the Staff Council to the Director-General

1. Pursuant to paragraph 38 of document L/3944, and the request in your letter of 30 November 1973 addressed to the Staff Council, and following our preliminary report of 9 October 1975 we wish to inform you regarding the disposal of the sum of SwF 20,000 contributed to the Staff Assistance Fund by the CONTRACTING PARTIES for 1975.

2. An amount of SwF 20,000 was paid out in 1975 as relief payments to nine former GATT officials and survivors of former officials to alleviate real hardship caused or aggravated by inflation and dollar depreciation. These payments were made according to the mandate given by the Staff Council on 12 June 1975. It should be noted that these payments are made merely to alleviate hardship, and cannot be considered to be compensation for losses due to depreciation of the dollar.

3. Concerning the CONTRACTING PARTIES' ad hoc contribution of SwF 20,000 to the Staff Assistance Fund for 1976, we wish to inform you that the mandate given to the Board for 1975 has been extended to 1976.

16 February 1976
Annex II

STAFF ASSISTANCE FUND

Report by the Staff Council to the Director-General

1. Pursuant to paragraph 38 of document L/3944, your letter of 30 November 1973 and paragraph 33 of document L/4229, we wish to inform you regarding the disposal of the sum of Sw F 20,000 contributed to the Staff Assistance Fund by the CONTRACTING PARTIES for 1976.

2. Due to prompt action by the GATT financial services and to the diligence of the Staff Assistance Fund Board an amount of Sw F 22,600 was paid out on 19 May 1976 as relief payments to eleven former GATT officials and survivors of former officials in order to alleviate real hardship due to the inadequacy of benefits paid by the United Nations Joint Staff Pension Fund in present conditions of inflation and exchange rates. As in the last two years the amount allocated is well below what would be necessary in order to bring the most inadequate benefits to what could be regarded as a reasonable level. The Staff Assistance Fund Board is of the opinion that a new assistance effort might be necessary during the second half of the year. The amount allocated was apportioned in conformity with the same principle as last year.

3. Although this is only a palliative, the Staff Council and the GATT Staff Assistance Fund Board firmly hope that you may obtain for the year 1977 renewal of the Sw F 20,000 contribution by the CONTRACTING PARTIES. The adoption of a new selective pension adjustment system by the General Assembly of the United Nations at its forthcoming session still appears to be too uncertain to disregard the possibility of granting a modest additional compensation to our former colleagues.

4. It will be noted that the amount paid out exceeds the contribution made by the CONTRACTING PARTIES. This is due to the fact that contributions were made by staff members who expressed the wish that their donations be used to grant assistance to their former colleagues.

17 September 1976